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August 28, 2019

**E-PORTAL/ELECTRONIC FILING**

Mr. Adam Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

***Re: Docket No. 20190004-GU – Natural Gas Conservation Cost Recovery Clause***

Dear Mr. Teitzman:

Attached for electronic filing, please find the Preliminary Statement of Issues and Positions of Florida Public Utilities Company, Florida Public Utilities Company – Indiantown Division, Florida Public Utilities Company – Fort Meade, and the Florida Division of Chesapeake Utilities Corporation.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



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Beth Keating  
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215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

MEK  
cc: Parties of Record

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Natural Gas Conservation     )  
Cost Recovery Clause                 )  
\_\_\_\_\_ )

Docket No. 20190004-GU  
Filed: August 28, 2019

**CONSOLIDATED PRELIMINARY STATEMENT OF ISSUES AND POSITIONS  
FOR FLORIDA PUBLIC UTILITIES COMPANY, FLORIDA DIVISION OF  
CHESAPEAKE UTILITIES CORPORATION, FLORIDA PUBLIC UTILITIES-  
INDIANTOWN DIVISION AND FLORIDA PUBLIC UTILITIES – FORT MEADE**

The following is the preliminary statement of issues and positions filed on behalf of Florida Public Utilities Company (“FPUC”), the Florida Division of Chesapeake Utilities Corporation (“CUC”), Florida Public Utilities Company-Indiantown Division (“Indiantown”), and Florida Public Utilities – Fort Meade (“Fort Meade”), referred to jointly herein as “Consolidated Companies”:

**ISSUE 1.     What are the final conservation cost recovery adjustment true-up amounts for the period January 2018 through December 2018?**

Consolidated Companies: The Consolidated Companies over-recovered \$371,568, as compared to the estimated over-recovery of \$620,489, resulting in an adjusted end of period total true up amount of an under-recovery of \$248,921.

**ISSUE 2:     What are the appropriate conservation adjustment actual/estimated true-up amounts for the period January 2019 through December 2019? [Current year true-up amount]**

Consolidated Companies: The projected true-up for the period January 2019 through December 2019 is an over-recovery of \$152,510.

**ISSUE 3: What are the appropriate total conservation adjustment true-up amounts to be collected/refunded from January 2020 through December 2020?**

Consolidated Companies: The projected net true-up is an under-recovery of \$96,411.

**ISSUE 4. What are the total conservation cost recovery amounts to be collected during the period January 2020 through December 2020?**

Consolidated Companies: A total of \$5,318,211 remains to be recovered during the period January 1, 2020 through December 31, 2020.

**ISSUE 5. What are the conservation cost recovery factors for the period January 2020 through December 2020?**

CUC: The appropriate factors are:

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>	
FTS-A	\$	0.25768
FTS-B	\$	0.19566
FTS-1	\$	0.17125
FTS-2	\$	0.08675
FTS-2.1	\$	0.06376
FTS-3	\$	0.05567
FTS-3.1	\$	0.04165
FTS-4	\$	0.03543
FTS-5	\$	0.03028

<u>Rate Class</u>	<u>Adjustment Factor (dollars per therm)</u>	
FTS-6	\$	0.02557
FTS-7	\$	0.01728

FTS-8	\$	0.01558
FTS-9	\$	0.01356
FTS-10	\$	0.01259
FTS-11	\$	0.01015
FTS-12	\$	0.00845

The Consolidated Companies also seek approval of the following experimental per bill Conservation Cost Recovery Adjustment (Experimental) factors for Chesapeake:

<b>Rate Class</b>	<b>ECCR Factor (\$ per bill)</b>
FTS-A	\$1.57
FTS-B	\$2.05
FTS-1	\$2.58
FTS-2	\$5.32
FTS-2.1	\$7.63
FTS-3	\$18.80
FTS-3.1	\$25.86

FPUC and FPU-Fort Meade:

The appropriate factors are:

<b><u>Rate Class</u></b>	<b><u>Adjustment Factor (dollars per therm)</u></b>
RESIDENTIAL (FPU, Fort Meade)	\$ 0.10281
COMMERCIAL SMALL (FPU, Fort Meade)( Gen Srv GS1 & GS Transportation <600)	\$ 0.06276

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
COMMERCIAL SMALL (FPU, Fort Meade) (Gen Srv GS2 & GS Transportation >600)	\$	0.04750
COMM. LRG VOLUME (FPU, Fort Meade) (Large Vol & LV Transportation <,> 50,000 units)	\$	0.03987
Natural Gas Vehicles	\$	0.01743

Indiantown: The appropriate factors are:

<u>Rate Class</u>		<u>Adjustment Factor (dollars per therm)</u>
TS1 (INDIANTOWN DIVISION)	\$	0.10118
TS2 (INDIANTOWN DIVISION)	\$	0.01424
TS3 (INDIANTOWN DIVISION)	\$	0.02720
TS4 (INDIANTOWN DIVISION) <sup>1</sup>	\$	0.0000

**ISSUE 6: Should the Commission approve revised tariffs reflecting the energy conservation cost recovery amounts and establishing energy conservation cost recovery factors determined to be appropriate in this proceeding?**

Consolidated Companies: Yes. The Commission should approve revised tariffs reflecting the natural gas conservation cost recovery amounts and establishing gas conservation cost recovery factors determined to be appropriate in this proceeding. The

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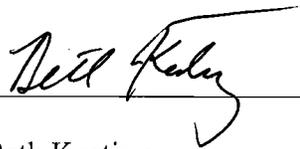
<sup>1</sup> The Consolidated Companies note that the customers in this class are no longer on the system; therefore, the rate is appropriately reflected as \$0.

Commission should direct staff to verify that the revised tariffs are consistent with the Commission's decision

**ISSUE7. What should be the effective date of the conservation cost recovery factors for billing purposes?**

Consolidated Companies: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2020 through December 2020. Billing cycles may start before January 1, 2020 and the last cycle may be read after December 31, 2020, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

RESPECTFULLY SUBMITTED this 28<sup>th</sup> day of August, 2019.



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*Attorneys for Florida Public Utilities  
Company, Florida Public Utilities Company-  
Indiantown Division, Florida Public Utilities  
Company – Fort Meade, and the Florida  
Division of Chesapeake Utilities Corporation*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing, has been furnished by Electronic Mail to the following parties of record this 28th day of August, 2019:

<p>Florida Public Utilities Company/Florida Division of Chesapeake Utilities/Indiantown Mike Cassel 1750 S.W. 14th Street, Suite 200 Fernandina Beach, FL 32034 <a href="mailto:mcassel@fpuc.com">mcassel@fpuc.com</a></p>	<p>MacFarlane Ferguson Law Firm Ansley Watson, Jr. /Andrew Brown P.O. Box 1531 Tampa, FL 33601-1531 <a href="mailto:aw@macfar.com">aw@macfar.com</a>; <a href="mailto:AB@macfar.com">AB@macfar.com</a></p>
<p>Rachael Dziechciarz Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 <a href="mailto:rdziehc@psc.state.fl.us">rdziehc@psc.state.fl.us</a></p>	<p>Office of Public Counsel J.R. Kelly/Charles Rehwinkel/Patricia Christensen c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400 <a href="mailto:Kelly.JR@leg.state.fl.us">Kelly.JR@leg.state.fl.us</a> <a href="mailto:Christensen.Patty@leg.state.fl.us">Christensen.Patty@leg.state.fl.us</a> <a href="mailto:Rehwinkel.Charles@leg.state.fl.us">Rehwinkel.Charles@leg.state.fl.us</a></p>
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<p>Sebring Gas System, Inc. Jerry H. Melendy, Jr. 3515 U.S. Highway 27 South Sebring, FL 33870 <a href="mailto:jmelendy@floridasbestgas.com">jmelendy@floridasbestgas.com</a></p>	<p>Christopher T. Wright Florida Power and Light 700 Universe Boulevard (LAW/JB) Juno Beach FL 33408 <a href="mailto:Christopher.Wright@fpl.com">Christopher.Wright@fpl.com</a></p>

<p>Florida City Gas Carolyn Bermudez/Miguel Bustos 4045 NW 97th Avenue Doral, Florida 33178 Carolyn.Bermudez@NEXTERAENERGY.COM Miguel.Bustos@NEXTERAENERGY.COM</p>	
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